GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5051
ANSWERED ON:20.12.2002
ACCOUNTING FIRMS
M. JAGANNATH

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government have conducted searches on some accounting firms recently;

(b) if so, the details thereof alongwith the reasons therefor;

(c) the outcome of such searches; and

(d) the steps taken to ensure this type of searches be followed at regular intervals in future to keep tab of the accounting firms ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a) : Yes, Sir.

(b): During Financial Year 2002-03, a search was conducted at the premises of an accounting firm of Delhi on 6.9.2002. This search was conducted for the reasons given in reply to part (d) below.

(c): Cash of Rs. 2,50,000/- and share certificate of face value of Rs. 17,32,500/- were seized.

(d): The searches can only be conducted if on the basis of information collected by the Department, the Director of Income Tax (Investigation) is satisfied that the income, which has not been disclosed or is not likely to be disclosed to the Department can be unearthed by conducting search in that case.